



Auditor of Public Accounts
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Edelen Releases Audit of Clinton Clerk's Fee Account

FRANKFORT, Ky. – State Auditor Adam Edelen today released the audit of the 2011 financial statement of Clinton County Clerk Jim Elmore. State law requires the auditor to conduct annual audits of county clerks and sheriffs.

The audit found that the clerk's financial statement presents fairly the revenues, expenditures, and excess fees of the Clinton County clerk in conformity with the regulatory basis of accounting.

As part of the audit process, the auditor must comment on non-compliance with laws, regulations, contracts and grants. The auditor must also comment on material weaknesses involving the internal control over financial operations and reporting.

The audit contains the following comment:

The county clerk's office lacks adequate segregation of duties. The Clinton County Clerk's office lacks adequate segregation of duties. During the course of evaluating the county clerk's internal controls, the following deficiencies were noted:

- 1) Only one cash register is available and utilized by all employees that collect cash receipts.
- 2) Post-dated items, disputed items, unidentified receipts, returned checks, bank charge backs, and all similar items are investigated by the county clerk. The county clerk is not independent of deposit preparation.
- 3) Someone who is not independent in the collection of cash prepares daily receipt listings.
- 4) Documentation is not present to indicate the county clerk's approval of payments made by employees.

We recommend the following compensating controls be implemented to offset the internal control deficiencies noted above. Documentation of the compensating controls could be a signature or initials on the applicable document of the procedure being performed:

- 1) Cash could be counted by one member of personnel and recounted by the county clerk before the deposit is made.
- 2) Surprise cash counts could be performed by the county clerk.
- 3) All checks could require two signatures, with one being the county clerk's.
- 4) Reconciliation of ledgers, monthly reports, daily checkout sheets, and daily deposits could be performed by one member of personnel and checked for accuracy by the county clerk.

County clerk's response: No response.

The county clerk's responsibilities include collecting certain taxes, issuing licenses, maintaining county records and providing other services. The clerk's office is funded through statutory fees collected in conjunction with these duties.

The [audit report](#) can be found on the auditor's website.

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The Auditor of Public Accounts ensures that public resources are protected, accurately valued, properly accounted for, and effectively employed to raise the quality of life of Kentuckians.

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